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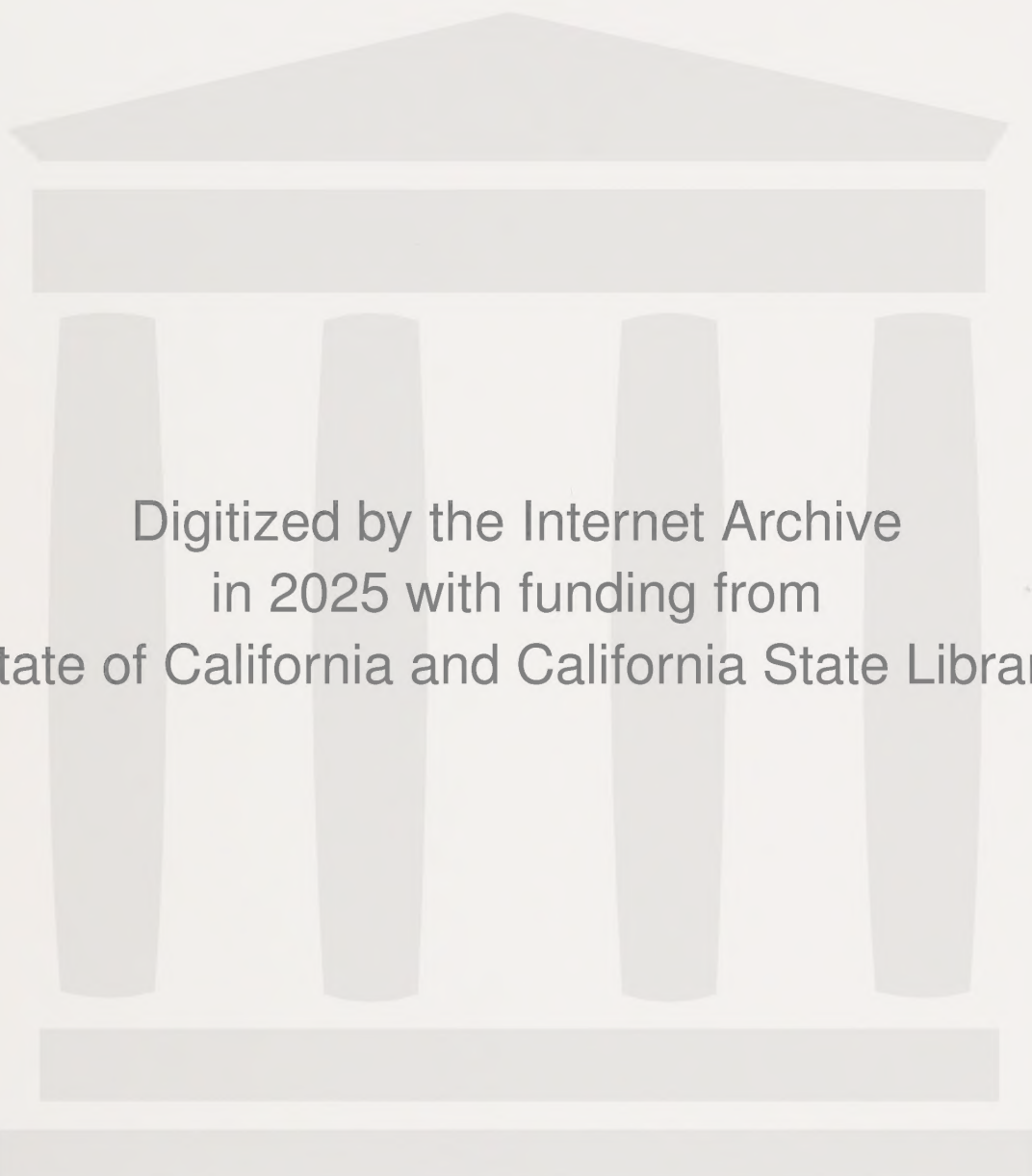
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COSTA MESA



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CITY OF COSTA MESA

HOUSING ELEMENT

1973

Housing Subcommittee of Goals and Objectives Committee

Reviewed November, 1973

Planning Commission - Recommended Adoption November 26, 1973

Costa Mesa, City Council - Adopted September 3, 1974

City planning
Housing

Costa Mesa
" "

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INTRODUCTION: HOUSING IN COSTA MESA

The importance of housing quality in Costa Mesa cannot be overemphasized. Located in a pleasant setting near the Pacific Coast and part of the dynamic Orange County market, it has been subject to immense development pressures. The character of the community has initially been determined by the types of dwellings built and the nature of the market they were intended to serve, but the continuing evolution of the City will depend on housing used and maintained and what kinds of changes are stimulated in response to these factors. This report is prepared as one result of a new awareness of the importance of planning for housing and in response to new legal requirements that housing policy be made a part of the planning process.

Costa Mesa has developed quickly. In the decade of the sixties the population almost doubled; new housing was built on a massive scale; there was a shift toward more expensive homes and new apartments; and Costa Mesa took its place as an important community in Orange County. As such, it is competing in a market which includes older low density developments and new town ventures, low income pockets, and luxury enclaves. The City is now seeking to fill its particular niche to provide a mix of housing opportunities to best serve its citizens and to determine how to shape the environment which will be the basis for Costa Mesa's future.

The City government assumes a major responsibility when it recognizes and deals with these facts: The creation of good living areas does not occur without a concerted effort from developers, consumers, and government. The task is made more difficult for the City because of the relatively limited resources which can be directed toward solving housing problems. But the importance remains.

This report outlines existing trends and conditions in Costa Mesa and recommends actions for the future.

BACKGROUND: PLANNING FOR HOUSING

In 1949, the United States Congress proclaimed as a national goal the achievement of "a decent home . . . for every American family." Since that time a variety of government agencies and programs have been attempted and proposed to obtain that goal. The State has created a Department of Housing and Community Development to oversee housing activities in California. The County of Orange has prepared an initial Housing Element as part of its General Plan program, and the Federal Government has committed itself to a continuing interest in housing. Indeed, the Federal Establishment has created a multitude of programs designed to stimulate the private sector and to encourage local governments in attaining what is now recognized as an elusive goal.

The results of these activities have been mixed. On the one hand, the United States is probably the best housed nation in the world. On the other hand, serious deficiencies in these programs have sometimes become apparent. Much of the nation remains ill-housed; many families are forced to live in overcrowded conditions, others have no choice but substandard dwellings, and an increasing percentage of families are required to pay a disproportionate amount of their income to obtain housing.

The American system places major emphasis on use of free enterprise to allocate resources for housing, and government housing projects have often been notably unsuccessful, but it is apparent that urban development requires cooperation between private interests and government to assure that Americans will be well housed. While the private builder may be responsible for actual construction of housing, his actions are regulated by government building codes and zoning ordinances, and government is responsible for providing public services which do much to determine the quality of the residential environment. Indeed, it may be argued that while the private developer initially builds the structure, the people living in the structure and citizens, acting through their government, are the primary factors which shape the use and maintenance of living areas. Thus, it is essential that government plan and coordinate its activities to achieve a good housing environment for its citizens.

Interestingly, the role of local city government in shaping housing opportunities has not been emphasized in outlining attempts to broaden those opportunities. This is partially because of the fragmented nature of the local government. Local city governments seldom have jurisdiction over an entire market area, and the actions of individual cities are affected by policies of other cities and government agencies in their market area. Furthermore, a city government has not had the financial resources to permit funding large-scale housing efforts.

The fact remains, however, that city government is deeply involved in a variety of programs which relate to housing. The city is, in fact, the level of government closest to the housing situation. It has day-to-day responsibility for reviewing development proposals; it has the authority for establishing and enforcing zoning, subdivision, and building regulations; it has the problem of providing municipal services; and it is the only level of government which can monitor changes in housing conditions so that action can be taken in order to prevent abuses due to failings in the system.

It is apparent, then, that city government actions have an impact on housing: Where and how it is built, and how it is maintained. It might be simpler in the short run to deny these impacts but their results are inescapable. This is true whether those actions take place in the context of an organized city plan or not. In fact, a major part of the city's efforts may take place outside the realm of the Planning Commission. However, housing efforts almost always involve the obligation of city funds and resources over a long period of time, and they result in changes to the physical environment which have a long-lasting impact. These remain a definite concern of city planning. It is important that the city's housing programs be planned and organized.

Because some city governments appeared to be slow to recognize or accept these facts, the State of California, since 1969, has required the inclusion of a Housing Element in the General Plan for each General Law City. This requirement was intended to stimulate new efforts by city governments in order to solve housing problems in their communities. Cities which had sometimes previously attempted to avoid facing up to their responsibilities were now directed to plan to "endeavor to make adequate provision for the housing needs of all economic segments of the community." In view of the fragmented nature of government in metropolitan areas, the difficult realities of housing economics, and the inadequate level of funding from the Federal government, this is an enormous task. Its importance cannot be overlooked, and the responsibility cannot be denied.

GOALS

Housing goals for Costa Mesa were adopted as part of the City's General Plan completed in 1970. This relationship is significant because of the importance of assuring that such goals are related to other elements of a plan. A simple statement in the housing element may have implications for other parts of the planning process.

The existing goals have been reviewed and recommendations are made concerning their future effectiveness. The adopted goals are listed and a brief analysis is provided.

EXISTING ADOPTED GOALS

1. Provision of housing accommodations which will provide a reasonable range of choice in terms of type, design and location.

Diversity is an important idea. Monotony is often a characteristic of low density areas built in large scale developments, and it should be avoided if Costa Mesa is to achieve a positive residential environment.

The goal should be restated to recognize the necessity for consideration of all economic segments of the community. This follows from the statement concerning "a reasonable range of choice" and would comply with the intent of the State law which requires the Housing Element. In view of the housing needs described later in the Study, it would appear to be an important aspect of City policy. While it is unlikely that it is desirable or feasible for Costa Mesa to offer the full range of housing opportunities available in Orange County, it is apparent that local opportunities need to be broadened to serve even the existing community.

2. Encouragement of residential developments which will meet the needs of families and individuals with specialized housing requirements.

This goal is well stated, and it speaks to the same issue as the first goal. Specialized needs are sometimes neglected in the current housing market. It is interesting to note that in today's society it is usually impossible for a person raised in one place to grow up there, spend the productive years of life in the same place, and be able to retire there. This is partially because a single locality seldom offers housing

opportunities for all people at all parts of the cycle of life. User groups such as the elderly, the handicapped, the poor, single-person households, and very large households may be unserved by existing offerings, and it is to Costa Mesa's credit if it can solve the problem. However, it requires more than usual effort to accomplish this. There is little precedent under the police power (zoning, subdivision, code enforcement) for City regulation in this area. The positive effect of such a goal traditionally lies in the expression of concern which demonstrates to the private sector, and the example which the City provides in designing and equipping public facilities. Much of the latter is beyond the realm of the Housing Element.

3. Prevention of the spread of blight and deterioration within existing neighborhoods.

This issue is of high priority because of the long-term use of housing. Neighborhoods must be maintained to ensure provision of a decent living environment. The City has several alternatives in dealing with the problems of blight and deterioration.

4. Development of residential areas with densities and housing types related to existing and proposed public facilities and services.

This goal (along with Goal Number Seven), represents a fairly straightforward and direct sort of idea, but a good deal of coordination is necessary in order to achieve it. It takes on greater meaning in the light of the recent emergence of concern with "environmental impact." Based on the State Environmental Quality Act of 1970, and subsequent court decisions, the "environmental impact statement" has become a necessity when analyzing the relationship between private development and the use of public facilities. It demands consideration of existing and proposed capacities of such public facilities as schools, streets, parks, sewers, etc., in order to determine if the public interest will be adversely affected by new development. This is important in achieving a good environment as well as attaining government fiscal balance.

5. Protection of areas proposed for residential development from the encroachment of unrelated or incompatible uses.

This is an important concern of a broad range of citizens, and it typically requires action by local government to prevent mixed land use from becoming a problem.

6. Establishment of regulatory policies and controls which will encourage well-designed, planned residential developments and provide adequate open space, recreational facilities, off-street parking, circulation and environmental amenity within housing project areas.

As presently stated, this does not follow the standard approach to goal terminology: The goal is not "establishment of policies and controls" but, rather, the achievement of well designed residential development and environmental amenity. These latter ideas are of considerable importance and they are worthy of attention. This represents the one existing goal in the Housing Element which speaks directly to the question of the quality of the environment so it must be emphasized. Proposed rewording is offered below.

7. Development of higher-density residential areas in close proximity to community facilities, such as public institutions, civic areas, and cultural areas; commercial shopping and service facilities; and employment centers.

See comments under Goal Number 4.

8. Development of plans and programs to effect an orderly transition in areas where nonresidential or mixed land uses are to be converted to housing uses or where low-density residential uses are to be replaced by higher-density apartment development.

Once again there is somewhat of a question about terms; the goal is not "plans and programs" but the orderly transition from one use to another. Such a goal can usually be attained only with vigorous public intervention. Existing studies point out particular issues in Costa Mesa. A suggested revision in wording is shown below.

9. Establishment of housing policies dealing with the prevention of blight, the development of minimum housing standards, and maintenance of housing codes.

The ideas presented here might be incorporated into the statements in Goals numbered 3, 5, 6, and 8. As given, it is essentially a policy statement rather than a goal to be attained.

RECOMMENDATIONS

Restatement of the goals originally expressed in the General Plan of 1970 is now offered based on the comments of pages 4-6. Several additions are also proposed in line with State requirements, Staff suggestions, and the Citizens' Goals and Objectives Committee recommendations. Programs for accomplishing these goals are suggested.

RESTATED GOAL

CHANGE

- | | |
|---|---|
| 1. Provision of housing accommodations which will serve all economic segments of the community and provide a reasonable range of choice in terms of type, design and location. | Includes reference to all economic segments of the community. |
| 2. Encouragement of residential developments which will meet the needs of families and individuals with specialized housing requirements. | No change. |
| 3. Encouragement of measures that will help to prevent the spread of blight and deterioration within existing neighborhoods. | Restated from Number 3.
No change. |
| 4. Development of residential areas with densities and housing types related to existing and proposed public facilities and services. | No change. |
| 5. Development of higher density residential areas in close proximity to community facilities, such as public institutions, civic areas, and cultural areas; commercial shopping and service facilities; employment centers; and public transportation. | Restated and moved from Number 7 because of the relationship to Number 4. |

RESTATED GOAL

CHANGE

- | | | |
|----|---|-------------------------|
| 6. | Protection of areas proposed for residential development from the encroachment of incompatible uses. | Restated from Number 6. |
| 7. | Development of well designed planned residential developments with provision of adequate open space recreational facilities, off-street parking, circulation and environmental amenity. | Restated from Number 6. |
| 8. | Orderly transition in areas where nonresidential or mixed land use is to be converted to housing uses, or where low density is to be changed to higher density residential use. | Restated from Number 8. |

ADDITIONAL GOAL PROPOSALS

ADDITIONAL GOAL

9. Development of a strong sense of community identity (place) in order to increase community pride and satisfaction.

Community identity is important because, in today's highly mobile society individuals need a sense of belonging as expressed in their everyday environment. The idea of the "faceless suburb" has been tried and found wanting. If Costa Mesa is to remain a good place to live, and if it is to capitalize upon its uniquely pleasant features, it must foster housing environments which engender a strong sense of "place" - a feeling that this is a community in which the individual has the opportunity to develop and to enjoy himself.

10. Improvement of communication among and between housing decision-makers, the City and the citizens.
11. Responsiveness to citizens, property owners, and developers who use and shape the residential environment.

Citizen participation is crucial to the effectiveness of a housing program. Without public input into the process and public review of the process, it is unlikely that housing issues can be properly addressed or priorities established.

ADDITIONAL GOAL

13. Coordination with other governmental agencies in order to assure maximum effectiveness in solving housing problems.

City government cannot attack all the problems of housing by itself. It lacks both the tools and the jurisdiction. It is important that City inputs be made into the regional planning process and that coordination be ensured with the various functional agencies which have impact on housing opportunity. These range from local school districts to the Federal Department of Housing and Urban Development (HUD).

OBSTACLES

If these goals are desirable, what keeps the City from attaining them?

The answers to this question are complex, and many of them involve issues which go well beyond the boundaries of Costa Mesa. In truth, many of them have implications which go far outside the realm of "housing." This section will discuss some of the obstacles to better housing which are of primary importance. In doing so those beyond city control will also be delineated. The obstacles will be categorized in terms of (1) institutions and procedures, (2) resources and (3) attitudes.

INSTITUTIONS AND PROCEDURES

Housing institutions are, themselves, complicated, and they have impact on how well the mechanism works. Institutions are defined as those public agencies and actors involved in housing production and use. Procedures are, simply, their activities which affect housing.

Local government lacks sufficient jurisdiction to achieve a unified approach to a housing market. The area within which consumers seek alternatives is not defined by city boundaries. This creates an obstacle in achieving goals because the market is affected by conditions and actions beyond the control of local decision makers. Likewise, the developer is seldom confined to operations in a single city. This is an obstacle because of variation in procedures and interpretation of requirements which lead to complications and loss of time in the development process.

The fragmented nature of local government is a further problem, because jurisdictions are often placed in competition to capture development. They may, therefore, be tempted to compromise standards in order to obtain a short term advantage by attracting a given type of development. More often, however, local jurisdictions compete in terms of exclusiveness. They construct policies which are restrictive in nature: The attitude is that less desirable consumers may find opportunity elsewhere.

In light of this, few attempts at market-wide cooperation have met with success. This creates an obstacle because regional agencies are necessary to deal with regional market issues. Thus, a Housing Authority has been established in Orange County but it has not yet been able to increase the supply of low income housing. It is partially hindered by the procedural requirement. In addition, information about regional trends is often

missing. Normally, one might expect such data to be provided by a group with a regional orientation, but lacking such a group, an obstacle of inadequate information comes into being. This lack of up to date, accurate data is often noted as a major problem in establishing demand for housing. Tax agencies are often cited as having major impact on housing, and tax structures provide additional obstacles. Local jurisdictions face the dilemma of needing an adequate tax base. Development increases the property tax base, but it also increases the demand for services. Low income housing faces an obstacle in this regard. The demand for services is substantial but the revenue derived from such housing is minimal.

The property tax structure is cited as an obstacle in itself, because it discourages property improvement. Remodeling or making an addition results in higher taxes and this discourages property owners from doing such things. The argument is made that the property tax should be revised to reward improvement rather than penalize it. Another aspect of the property tax structure is the burden it imposes on low income property owners who are taxed on the realty they own rather than the income derived from it.

Income tax provisions are perhaps less known as determinants of housing form, but there is some evidence that intricacies of the write-off and depreciation provisions of the law induce housing investment without the usual concern for supply and demand.

These tax considerations, however, are beyond the realm of the City of Costa Mesa. The City, by itself, can do little to affect change. They do provide examples of areas in which the City must attempt to influence other levels of government if it is to attain its goals.

RESOURCES

The shape of housing opportunity has been most drastically changed by the rapid increase in housing costs. Land costs and building costs have both skyrocketed, and this has made it impossible for most families to obtain new housing. In addition, interest rates have also risen and this additional financing cost adds to the cost of housing. These obstacles are widely recognized, and they are reflected in housing costs in Costa Mesa. Low cost housing cannot be produced because of these factors.

If low income housing is to be made available it will demand governmental subsidy to achieve it. City government is not in any position to begin a localized subsidy program. Such programs have usually been the responsibility of the Federal government. The obstacle here is that the Federal programs have not been funded to a level to permit them to deal effectively with the problems of the nation.

Neither of these obstacles (housing costs and federal lack of funding) are within easy control of City government. Costs may be cut by the elimination of unduly restrictive city requirements but there is little evidence that this can drastically alter housing economics. Federal funding levels are determined in the context of national priorities, and it is difficult for a local jurisdiction to bring pressure to bear at the Federal level.

ATTITUDES

Public attitudes concerning housing policy are reflected throughout the above discussion. There are no strong regional agencies because people prefer to attempt to find solutions to problems at a local level. There is a real (and often well founded) fear of government which is too far removed from the people. There is a hesitation about use of government intervention because of the distrust of institutions which do not stand the test of the market and a fear of the loss of individual freedoms.

These are obstacles to the solution of housing problems, because housing must apparently be faced as a regional issue, and as one which cannot be resolved in the private market.

The popular rejection of the need for dispersed low income housing opportunities is also well known. Part of this rejection can sometimes be traced back to a fear of inundation by the poor or minority groups, and part of it is based on the fact that suburban development is usually oriented to one-class communities. It is possible in such communities to lose sight of the fact that metropolitan areas must necessarily involve a full range of people and opportunities.

This often fosters a smug attitude of unconcern among those who are not immediately faced with housing problems themselves. This obstacle is manifested in the so-called "flight to the suburbs" and the use of exclusionary land use controls to prevent the poor from joining in the dispersion of the region.

Finally, it must be recognized that land has often been viewed from an investment viewpoint rather than from the standpoint of concern for the environment. Attempts to improve the quality of the residential environment are severely limited by this obstacle and they are likely to remain so unless community attitudes change.

HOUSING NEEDS

The housing problem in Costa Mesa is not one of physical deterioration in the usual sense. While the Census of Housing does not attempt to provide information about structural condition, it does indicate that only a few of the existing dwellings in the City are lacking the facilities necessary to make for a "decent home." Less than one percent of all housing units were reported as without either a bathroom, a public sewer connection, hot water, heating or cooking facilities.

Where blighted conditions do occur they are primarily the result of the intrusion of conflicting land uses or poor upkeep and maintenance. The first of these can be overcome by conscientious nuisance abatement and adherence to sound zoning policies by City Government. The latter problem, bad maintenance, can only partially be solved by City efforts to stimulate community pride and neighborhood identity. Code enforcement activities may be useful in ensuring adequate property maintenance standards, but the difficulties of housing economics are likely to mandate that solving the full range of housing needs for the community can not be solved by use of the police power alone.

The obstacle to providing for housing needs is found in the high cost of housing in Costa Mesa. There are not enough low cost housing units to serve low income residents at a price they can afford. It is considered unreasonable to expect that a low income family should have to spend more than one-quarter (25%) of its income on shelter. This includes rent or mortgage payments and other costs including taxes, insurance and maintenance. All these are fixed costs except maintenance: it is usually the first thing to suffer when costs begin to exceed the ability to pay. In Costa Mesa, a sizeable percentage of the population is spending more than the usual proportion of income on shelter. This is expressed in the number of households spending more than 25% of monthly income on gross rent or who are buying homes costing more than 2.5 times the annual income (the latter is the maximum usually considered appropriate for home loan purposes).

Using these indicators, according to the 1970 Census, some 46.7% of all renter households are paying an excessive amount for housing, and 39.1% of owner households occupy homes with value reported as more than normal. This poses a dilemma: they are not forced to live in Costa Mesa; they move here by choice. The unique attractions of the City, with its pleasant climate and proximity to the beach make it a popular and, therefore, expensive place to live. Yet it is impossible for a single city to exist by itself in a metropolitan housing market, and a jurisdiction which fails to recognize its interdependence with the rest of the region will be unable to provide for all economic segments of the community. It is not sufficient to argue that other, less expensive, choices may exist somewhere else. Many low income

residents work in Costa Mesa and cannot afford to live elsewhere. In a very real sense, if Costa Mesa is to reap the benefits of home rule and local responsiveness, it must bear the burden of providing for all the citizens.

SPECIFIC NEEDS

The specific dimensions of the problem can best be understood by focusing on the needs of low income households. Among low income groups, discretionary spending is limited. If housing costs are unreasonably high, money will have to be diverted from the other necessities of life.

For purposes of discussion, we will define low income households as those which indicated they had less than \$5,000 annual income according to the 1970 Census. Specific needs will be defined in terms of those households reporting they spent more than the norm for housing (rents more than 25 percent of monthly income for renters or home values more than 2.5 times the annual income for home owners).

The 1970 Census identified 1,194 home owning households in Costa Mesa with annual incomes under \$5,000 (this represents 11.2 percent of all the households in owner occupied units). According to the standard formula, these households would be able to afford housing costing up to a maximum of \$12,500. However, the census reported a total of 126 units valued less than \$12,500 in 1970, and a survey reveals there are no units in this price range being offered on the market at the present time. This indicates a deficiency of 1,068 units in this price range to serve present residents of Costa Mesa.

The situation is similar for renter households. Some 31.4 percent (3,585) of all renters in Costa Mesa reported incomes less than \$5,000 in 1970. Almost nine out of ten (89.1 percent) of these households were paying 25 percent of their income (or more) for shelter. Indeed, over three quarters (78.8 percent) reported paying 35 percent or more on housing. This indicates a shortage of 3,194 units to serve the needs of existing residents.

HOUSING DEMAND PROJECTIONS

The demand for housing in Costa Mesa will be affected by those trends going on in the urban environment in which the City exists today. Costa Mesa does not exist in isolation, but as one complex in a group of interlocking complexes which together form the urban region. Each complex has a profound and complementing effect on the others. In the case of Costa Mesa, the geographic area of influence can be identified as the Central Coast Statistical Area.

For purposes of this demand analysis, general county-wide projections were taken from the Orange County Low Income Housing Market Aggregation Study proposed for the UCI - Project 21 study team on low income housing. These projections were scaled down and then modified by those assumptions unique to Costa Mesa and its urban environment, taking into account such factors as population projections and family size.

Population figures used were those supplied by the Costa Mesa City Planning Department. As with any projection, one must be aware that the validity of the projection decreases the farther one gets from the bench mark. With this in mind, figures presented for the years 1980 and 1990 should be treated with extreme caution.

Demand projections are customarily made without an analysis of either existing or potential single and multiple family zoned land. This factor is of prime importance in the case of Costa Mesa where land for future residential development is becoming an increasingly scarce resource. The hypothetical demands for Costa Mesa may not be fully met because of this reason. A direct result of a land shortage may well be an increased pressure for higher density zoning. With the above factors in mind, Table I, page 18, entitled Demand Projections - City of Costa Mesa is presented.

TABLE I

DEMAND PROJECTIONS - CITY OF COSTA MESA

<u>Year</u>	<u>Projected Population</u>	<u>Population Gain</u>	<u>% of Distribution Singles vs. Multiples</u>		<u>Total Required Units</u>	<u>Required Single Family Units</u>	<u>Required Multi- Family Units</u>
1975	82,000	9,340*	68%	32%	3,018	1,868	1,150
1980	93,000	11,000	66%	34%	3,573	2,135	1,438
1990	111,000	8,000	64%	36%	2,612	1,505	1,107

*From Census Benchmark Figure 1970.

Source: Linn, Leonard, Bess, Hall, Sharky & Associates, Incorporated,
and City of Costa Mesa Planning Department
Development Research Associates

While the "normal market place" will satisfy the demand for those individuals and family units that can afford the cost of new housing, a certain portion of the population will be faced with the prospect of spending a disproportionate share of their income on shelter or living in an environment which is anything but satisfactory. The following table presents an analysis by family income ranges of Costa Mesa's housing needs to the year 1990. The income ranges presented are in constant 1970 dollars. The percentage of increase per year is consistent with that of the original Project 21 study paper developed for the entire County. As with any other set of projections, weaknesses are evident. One must proceed with caution in his use and be aware of their limiting factors as presented on page 17.

TABLE II

DEMAND PROJECTIONS BY ANNUAL FAMILY INCOME RANGES

<u>Income Range</u>	<u>Total Number of Units</u>	<u>Single Family</u>	<u>Multiple Family</u>
Less than \$4,500			
1975	362*	224	138
1980	321	192	129
1990	156	90	66
\$4,500 - \$8,499			
1975	814	504	310
1980	893	534	359
1990	574	331	243
\$8,500 and up			
1975	1,840	1,139	701
1980	2,358	1,409	949
1990	1,880	1,083	797

*Note: Totals are not cumulative

Source: Linn, Leonard, Bess, Hall, Sharky and Associates,
Incorporated, and Development Research Associates.

POLICIES AND PROGRAMS

This section presents policies which are aimed at the City's goals, and it outlines the programs necessary to carry out those policies.

State legislation has recently taken the approach that cities must integrate their planning programs with their development regulation activities. This idea is not novel, since it has always been assumed that regulation functions, such as zoning, derive their rationale from the general plan. However, A. B. 1301 (1971) mandated that zoning must conform to the general plan. This implies that one must, in fact, be the same as the other, and this imposes a severe restraint upon how the two can be structured.

The general plan attempts to outline a long range approach to land use development, while the zoning ordinance spells out existing regulations on the use of land. The two may not coincide at all because of long range plan policies which attempt to define shifts in the character of the community.

One approach to the dilemma of two land use maps which are not identical (one for the general plan and one for the zoning ordinance) involves the increased use of policy planning to delineate long range ideas about land development. Contained in this section are rudiments of such a policy plan approach. Also included are policies directly aimed at defining City government involvement in the housing situation.

The following areas of concern are important to Costa Mesa:

1. Housing Quality and Community Identity
2. Environmental Impact Analysis
3. Information Systems
4. Governmental Coordination
5. Citizen Review

HOUSING QUALITY AND COMMUNITY IDENTITY

City government should work to protect the quality of housing in Costa Mesa and to stimulate community pride.

Costa Mesa is a new City. Relatively few citizens have been long term residents, so community identity has not had much time to develop. Further, with the completion of freeways through the City, new questions will be posed: Will Costa Mesa become one more set of off ramps, or will it maintain its integrity as a unique community? Certainly, the visibility of the City to the region at large will shift.

Much of the issue goes beyond the realm of housing and includes questions about shopping, open space and community facilities, but the role of housing in determining how the individual feels about his community, is unmistakable. The extent to which individuals assume the lead in developing community pride will determine the quality of housing. The two ideas are tightly interwoven.

There is already much concern that Costa Mesa be a good place to live. In the long run the quality of the environment will be the responsibility of private citizens. Individual pride will probably be the major factor in determining the quality of housing in Costa Mesa's future. The City government has only limited tools which apply directly to this issue.

However, the City can help to determine the circumstances in which individuals will be stimulated to be proud of their housing, and it can assist by filling those gaps which occur when individuals, by themselves, cannot work together to generate a positive sense of community.

Thus, the City has responsibility for eliminating unsafe housing, not only because it is a threat in itself, but because it also threatens to make the surrounding areas a less satisfactory place to live. This is important because of the necessity of keeping residential areas viable over a long period of time. It is particularly important in Costa Mesa because so much of the housing was built in such a short period. Block obsolescence may result if blighting influences are permitted to intrude. The intrusion of mixed land use in an area has long lasting impact, and it may signal the decline of an area which, if protected, could serve community housing needs. Such intrusions are most common in older developed (lower cost) areas, and these provide the bulk of Costa Mesa's low income housing supply.

This is not to infer that areas should be static and not subject to change. However, transition from one use (or one density) to another is a delicate process if it is not to be harmful to some segments of the community. Zoning, by itself, is not an effective tool in assisting such transition areas. Incentives can be offered for private development of a suitable nature, but

more positive approaches are often necessary. The Costa Mesa Downtown Redevelopment Study discusses most of these. Should redevelopment prove necessary, private initiative and mechanisms should be utilized to a maximum.

The idea of a Community Development Corporation is proposed for such a role. This mechanism involves the use of private capital and resources to obtain local goals such as housing development. Government's role is confined to regulation and not development. The City would be effective, however, by probing community interest to determine if sufficient support exists for such an idea.

PROGRAMS

1. City government should systematically inspect and seek removal of substandard housing. However, rehabilitation should be encouraged whenever possible.

Objective: To eliminate dangerous, unsafe housing.

Involvement: City Building Department

Time Frame: Continuing
2. City government should seek elimination of conflicts caused by mixed land use.

Objective: To avoid detrimental effects of intrusions by

conflicting land uses upon viable residential areas.

Involvement: City Planning Department

Time Frame: Continuing
3. City government should develop methods to encourage grouping parcels in order to make possible improved living environments.

Objective: To eliminate poor development which has resulted

from obsolete subdivision patterns.

Involvement: City Planning Department

Time Frame: Long range
4. City government should utilize redevelopment to make possible orderly transition of residential areas in the event that it cannot be accomplished by other means.

Objective: To make possible the development of decent living

environments in areas where previous construction

has become blighted.

Involvement: City Redevelopment Agency

Time Frame: Long range

5. City government should encourage creation of a private Community Development Corporation to take an active role in acquiring and assembling land for development.

Objective: To create a local entity which can carry through
on housing program development.

Involvement: Private groups

Time Frame: Long range

ENVIRONMENTAL IMPACT ANALYSIS

Environmental impact of proposed development should be considered in a broad context to assure that detrimental effects to the community are minimized.

It is apparent that land development often has environmental impact on surrounding areas and the community as a whole. Existing development standards are directed at control of conditions on the site itself, but external effects may be of long range or major importance as well. The private market mechanism is unable to adequately account for such externalities, so it is necessary for government to apply controls to achieve the public interest. This fits a basic premise of city planning: The idea that government works with the private sector to protect and enhance the community environment.

State legislation has recently been interpreted by the Courts as applying environmental impact analysis requirements to private development where substantial effect might result.

PROGRAM

1. Environmental impact analysis will be used to protect the public interest. This will be accomplished through review of proposed development and the use of such review in public decision making.

Objective: To insure that development will not be detrimental to the environment and the community.

Involvement: 1. Public decision makers.
2. Interdepartmental Environmental Review Group.

Time Frame: Continuing.

INFORMATION SYSTEM

The Planning Department should endeavor to assist decision makers both private and public by improving the flow of information about housing.

The lack of up-to-date accurate information is one obstacle which can be confronted beginning at the local level. Information which is collected and analyzed by various organizations often is not placed in the right hands in a timely manner. However, the City Planning Department, in the course of its day-to-day operations, has access to much of the data necessary to make good decisions about housing, and it is in the position to obtain and make available other information on a continuing basis. If operated on a simple basis, it is a relatively inexpensive function because it relies heavily upon use of existing materials.

Creation of an efficient management system is dependent upon good information. In the case of housing, where the important decision makers are widely dispersed among private and public officials, the importance of consolidating the information function cannot be overlooked. It is necessary that data be accessible and unbiased. The City Planning Department is the agency best able to accomplish these tasks. It can distribute the information to a broad audience, and it can represent the public interest by reporting both favorable and unfavorable trends. This latter is not an unimportant issue.

The idea of creating an on-going system is to establish a way in which information can be used to assist policy and program decisions at the proper time. If the system is used to advertise positive trends without understanding of the necessity of being able to recognize and respond to negative trends it will be of little assistance. If, on the other hand, it can be developed as a way to monitor changes, then it can help decision makers face issues before they reach crisis proportions.

The argument is based on the fact that there is never enough time to collect information after a problem is defined. It must be made available in advance of problem recognition if it is to be effective. The only way this can be done is by incorporating information activities into the agency planning process. This also provides the mechanism by which trend data can be accumulated. A given number has no particular meaning unless it can be placed in context by comparisons over space and time. Understanding a vacancy rate, for instance, depends on being able to compare it to other parts of the market and to earlier experiences. By itself, one has no way to know if it is high or low, increasing or declining.

The importance of being able to monitor change takes on additional importance in terms of environmental impact analysis. The effectiveness of such analysis is dependent upon the public planning agency being able to determine impact quickly. Note that delays in the time necessary to process a proposal are often factors in a project's success. The pre-collection of trend data will help speed processing time for impact analysis. There, again, the importance of unbiased data is to be stressed. Also of importance to this concern is the broad distribution of information about proposed changes in the environment. This calls for the creation of an "early warning" system to alert interested groups and individuals to upcoming development proposals so that they have sufficient time to respond before final decisions are reached. One of the greatest frustrations of public participation is the discovery that it is too late to make one's views known on a development proposal.

An additional result of the creation of this system would be the visibility of housing and planning issues which could be achieved. By spreading information to a wide audience including citizens' groups, as well as to the potential investors and developers, the Planning Department would serve the useful purpose of making the community aware of what is going on in the area. This would be extremely helpful to concerned groups or individuals who do not have the time or resources available to keep up with the situation on their own. To achieve effectiveness in this regard, reporting formats should be established which will assist in easy understanding of statistical or legal information. A citizen should not be forced to become expert in these areas to become involved in planning for housing.

While such efforts may also be effective at the regional scale the information necessary to make evaluations of specific proposals is often best aggregated at the local level; this becomes a proper function of City government.

PROGRAMS

1. A Quarterly Housing Bulletin should be published to provide information concerning housing trends in Costa Mesa and its market area. (See below for proposed content).

Objective: To improve the flow of information about housing.

Involvement: City Planning Department

Time Frame: Continuing (on a quarterly basis)
2. A development information system should be utilized to release development proposal information and trend data on a timely basis. (This must in no way intrude on the decision making process. It makes information available in time for decision makers to respond. In effect, it becomes the "early warning system" to alert interested public agencies and private parties in advance of the time for decision.)

Objective: To insure timely information is forwarded to interested parties.

Involvement: City Planning Department

Time Frame: Continuing (as necessary)
3. The existing Ordinance Summary system should be publicized and used to make the public aware of development standards. The existing system is sound. It provides information organized in a way to make for easy understanding and use. It must be maintained and revised as necessary.

Objective: To inform developers of housing requirements.

Involvement: City Planning Department

Time Frame: Continuing

CITY OF COSTA MESA

QUARTERLY INFORMATION BULLETIN FORMAT

(Information to be selected on the basis of importance to planning and development process.)

HOUSING DATA

SOURCE

Housing Starts

Type:	Single family, multiple, etc.	Permit data
Price:	Sales or rental	Survey
Location:	Census Tract (C.T.)	Permit data

Demolition

Type:	"
Location:	"

Occupancy

Vacancy rates	Survey
Price	"
Location (C.T.)	"
Sales	
Numbers (percentage of those offered)	Multiple Service
Location (C.T.)	"
Price (Listing price vs. sales price)	"
Time on market	"
Characteristics	"
Additions (remodeling)	Permit data

PLANNING DEPARTMENT DATA

Applications/Approvals or Disapprovals	Files
Subdivisions	"
Zone changes	"
Variances	"
Nuisance abatement	"
Code enforcement activity	"
Land use changes	Data file

ECONOMIC INDICATORSSOURCE

Employment/Unemployment

State Dept. of Human
Resources & DevelopmentTaxable Sales
Volume
PermitsState Board of
Equalization

Business Permits

City Clerk

SUPPLEMENTAL INFORMATION (as relevant and available)

School enrollment

School District

Park use data

Leisure Services Dept.

Welfare cases

County Dept. of Social
Services

Beautification activities

City Department

Street improvements

"

GOVERNMENTAL COORDINATION

The City must join with other jurisdictions in coordinating activities concerning housing.

The necessity of a regional approach to housing problems is a recurring theme of this report. It will not be repeated here, except to comment that such efforts appear to be in the interests of local jurisdictions simply because of the fragmented nature of the housing market.

PROGRAMS

1. The City should assume the primary role in coordinating activities at the local level. This involves formal contact with, among others, the School District, County Health Department, Flood Control District and Airport Department, and liaison with agencies such as the State Division of Highways who may from time to time have programs with major impact on the City. This is also important in order to establish effective Environmental Impact analysis procedures.

Objective: To coordinate governmental activities in the Costa Mesa area.

Involvement: City Planning Department

Time Frame: Short range

2. The City must actively participate in the development of County-wide studies aimed at identifying and solving housing problems which involve the entire Orange County market area. These include the Orange County housing element and the Orange County Housing Authority studies on housing needs.

Objective: To coordinate governmental activities at the County level.

Involvement: City Planning Department

Time Frame: Continuing

3. The City should endorse those programs directed at re-examining efforts of other levels of government to rationalize approaches to housing problems. These may include revision of property and income tax laws, relocation procedures, housing subsidies and the relative participation of local, State and Federal levels. Individual cities can best act in this arena by pooling resources for cooperative efforts.

Objective: To help achieve goals beyond the realm of City control.

Involvement: City government

Time Frame: Continuing

CITIZEN REVIEW

The City should develop methods by which a broad spectrum of interests can be included in planning for housing.

The direct involvement of a cross section of the citizenry in the planning process is mandated in the State guidelines for preparation of local housing elements. Those guidelines call for a "broadly based, community-wide consumer-producer committee" to provide positive inputs "free of political pressure and harrassment." This group would make recommendations to the Planning Commission which must hold hearings to obtain additional input and comment from those not previously included in the process. In addition, it is necessary to have citizen review on an annual basis so that progress can be evaluated and alternatives proposed.

It is recommended that such a group be appointed to serve in Costa Mesa. They would review the housing study and generate new ideas for improvement. The Committee should include representatives from all areas of the City, various age groups and people interested from both the consumer and producer standpoint. Groups upon which the City might call to create such a committee include the following:

- Property Owners' Associations
- Apartment Managers' Associations
- Home Owners' Groups
- Realty Boards
- Senior Citizens' Groups
- Developers' Groups
- Building Contractors' Organizations
- Savings and Loan Associations
- Banks
- Tenants' Organizations
- Utility Companies
- Citizen Interest Groups

- Churches
- League of Women Voters
- Fair Housing Council
- Welfare Rights Association

PROGRAMS

1. A Citizens' Housing Group should be appointed to assist the City in developing housing goals and policy and in reviewing progress in solving housing problems.

Objective: To provide a forum for citizen participation.

Involvement: Local groups (nominations)

City Council (appointments)

Citizens' Housing Group (action)

Time Frame: Continuing

2. Procedures should be established for the annual review of progress toward achieving objectives and easing obstacles for housing improvement.

Objective: To monitor progress in reaching goals.

Involvement: Citizens' Housing Group

Time Frame: Annual

APPENDIX A: GOALS FRAMEWORK

This section presents the housing goals developed by the State, the Region, and the County. These comprise the context in which Costa Mesa must operate. A brief analysis appears at the end of each set of goals.

STATE OF CALIFORNIA

The Guidelines published by the State of California in 1971 offer "these broad goals of a housing element", to carry out the legislative intent of the enabling act. They are as follows:

1. To promote and insure the provision of adequate housing for all persons regardless of income, age, race or ethnic background.
2. To promote and insure the provision of housing selection by location, type, price and tenure.
3. To promote and insure open and free choice of housing for all.

There are two general messages contained here. The first is that local jurisdictions are to be held responsible for ensuring that housing is made available for all persons on an equal basis. This effectively prohibits local policy directed at eliminating certain groups in order to create a "one class" community. Integration, on an economic as well as racial basis, is thus mandated in order to break up existing exclusionary housing patterns. This is clearly the intent of the State law. It was passed, to a large extent, in response to the demands of developers who argued they were being prevented from serving the market by unjust local practices including large lot zoning, uneven code interpretation and a maze of administrative hazards.

The second message in these guidelines is that the way in which local jurisdictions face this issue is to be determined by those jurisdictions. Since they are closest to the problem they can deal most effectively with their unique situations. The State will not interpose its presence in a situation which can best be defined and handled by other levels of government.

The implication for Costa Mesa is this: The State will not intrude in local affairs if the City will take care of its problems and cooperate in solving those which cannot be defined according to City boundaries.

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG)

SCAG Regional Goals are contained in its Housing Element published in 1971. They are as follows:

1. To assure a variety of life styles within the region and within each of its major geographical subunits.
2. To provide opportunity for all segments of the population, with emphasis on low income, minority groups, and the elderly, to obtain decent housing and a suitable living environment within each of the region's major geographical subunits.
3. To reduce the proportion of income spent on housing, including maintenance for poor and moderate income groups and the elderly to no more than 25 percent of their income.
4. To encourage the maintenance of viable residential neighborhoods and increased rehabilitation to blighted and declining neighborhoods. Work with taxing authorities to develop a positive taxing program that will encourage the upkeep of property.
5. To assure the fairness and adequacy of compensation and relocation assistance to persons and families displaced by public improvements.
6. To assure the adequate delivery of public services to all residents and especially to those whose needs are the greatest. To properly consider the additional financial burdens placed on the public service jurisdictions relating to these housing goals. This could include the possibility of financially supporting public services relating to the housing efforts of cities engaged in implementing these housing goals.
7. To encourage the coordination and uniformity of all regulations relating to housing to expedite the construction of homes for moderate and low income people.

8. To encourage new construction methods and housing types to increase the supply of housing for all segments of the population.
9. To ensure housing opportunity in proximity to jobs and daily activities. Also, to encourage job opportunity in proximity to low and moderate income housing.
10. To ensure that all housing enhances the total environment and family life styles.
11. To work with State and Federal officials to take a more realistic view of the housing problem.
12. To implement existing financing vehicles and stimulate the development of innovative financial techniques that will reduce housing costs.
13. To assure that housing location adequately considers geological hazards and ecological factors in siting.
14. To assure that the location of housing does not destroy regional recreational sites or important open space resources.
15. To establish workable programs to eliminate sub-standard housing and encourage the development of greenbelt areas in those determined to be substandard.

IMPACT ON COSTA MESA

The SCAG goals are aimed at creating a broad framework for the entire Southern California region, and they reach both downward toward the policies of local jurisdictions and upward toward the State and Federal levels of government. As such, they are perhaps too general to help in developing policy for individual cities, but they do offer a context in which such policy can be placed.

The SCAG goals focus on issues such as improving opportunities for consumer groups underserved by the existing market, understanding the role of government in providing services, recognizing the regional nature of the housing market and stimulating improvements in the development process. They rely upon the viability of the private sector and active participation by local government: They reinforce existing institutional patterns, rather than proposing new ones.

This leaves individual cities free to develop their own policies to meet their own unique problems, and it places responsibility for solving those problems at the local level. At the same time, however, they also make it clear that when some problems are identified as being beyond the jurisdiction of a single city, that city must actively seek development of mechanisms to deal with the problems.

The implications for Costa Mesa are these: The City is encouraged to deal with local problems and to participate in efforts to improve the situation in its part of the region. If it does so, the regional agency will have no need to interfere in local operations. The SCAG document alludes to the possibility of rewarding cities with implement the regional goals with the "possibility of financially supporting public services relating to housing efforts", but, at present, this possibility appears somewhat remote.

ORANGE COUNTY GOALS

The following housing goals are proposed for Orange County in its initial Housing Element published in 1972.

TOP LEVEL GOAL

1. Housing

A supply of dwellings with a variety in cost, design, type and location which provides for the fulfillment of housing needs for all residents of the County.

SECOND LEVEL GOALS

1. Urban/Rural Development

Comprehensively planned development of urban and rural areas of the County in order to more satisfactorily meet the needs of all present and future residents.

2. Poverty, Low and Moderate Income Housing

Adequate housing for all families or individuals residing in Orange County who have poverty, low or moderate incomes.

3. Housing Standards

Consistent and coordinated county-wide standards for the design, construction and maintenance of existing and new dwellings.

4. Urban Conservation and Redevelopment

Absence of deteriorated and/or substandard dwellings as well as physically or socially blighted areas.

5. Services

Adequate services to all dwelling units in the County, including utilities, streets, protective services and waste removal services.

6. Government

Minimum, but adequate, local government involvement in planning, developing, testing, producing and protecting an adequate housing supply for present and future residents of the County.

7. Governmental Coordination

Maximum coordination between all levels of government with respect to housing requirements, standards and regulations, uniform code interpretation, and county-wide land use planning.

8. Open Housing

Equal opportunity for adequate housing for all residents of Orange County, regardless of race, creed, national origin or ethnic group.

THIRD LEVEL GOALS

1. Planned Cities

Comprehensive and integrated plans consisting of human, physical, economic and governmental environments preceding approval and development of any urbanization at the City scale.

2. Planned Community

Comprehensive and integrated plans consisting of human, physical, economic and governmental environments preceding approval and development of any large scale urbanization at the community scale, including large, single ownership parcels.

3. Dispersion - Low Income

Minimum concentration of housing for poverty and low income persons.

4. Subsidized Housing

Maximum ability of the private sector to provide subsidized housing for poverty and low and moderate income families.

IMPACT ON COSTA MESA

Orange County goals apply directly only to the unincorporated areas of the County, but they are also intended to serve as the basis for City housing element preparation. In addition, of course, they are significant because they deal with the overall market area of which Costa Mesa is a part.

The County goals have two major thrusts: Improving opportunity for poverty, low and moderate households and guaranteeing the quality of the Orange County environment for all persons. They propose continued reliance upon the private sector wherever possible, and they call for "minimum but adequate" participation on the part of local government. More specific than the SCAG goals, they follow the same general theme and are, in fact, an extension of the principal ideas incorporated in the regional goals, expressed now at the County level and adapted to the particular needs of Orange County.

Costa Mesa would probably feel the greatest impact from these County goals if policies and programs were implemented to carry out the goals directed toward improving low income housing opportunities. These seek, not only the provision of adequate housing, but the dispersion of such opportunities throughout the area. This is intended to avoid problems associated with concentration of the disadvantaged. These range from the obvious social ones to the very real concern of local government about the effect of such concentrations on local government finance. The local tax base can seldom support the high level of services and the low revenues which such concentrations engender.

There are additional implications which can be drawn concerning the necessity for intergovernmental cooperation. Orange County certainly defines one of the geographic submarkets of the region, and there is no one governmental organization with proper authority and adequate funding which can deal with it as a whole. It is, therefore, incumbent upon the existing agencies that they coordinate their efforts in the ways proposed in the County goals statements.

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